Export of Ethambutol

1590. DR. (SHRIMATI) SAROJINI MAHISHI: Will the Minister of COMMERCE be pleased to state:

(a) what are the names of the producers who exported Ethambutol from out of the country;

(b) what was the quantity exported yearwise during the last three years by each party, country to which it was exported and at what price it was exported;

(c) what were the benefits given on each kilogram of Ethambutol and on what basis; and

(d) what was the foreign exchange content in such exports and what steps have been taken to recover the loss of foreign exchange which the country has suffered in such exports?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (d) M/s. Lupin Laboratories (P) Ltd., Bombay, M/s. Medchi Chemicals and Pharmaceuticals Pvt. Ltd., Secunderabad, M/s. Lyka Laboratories Ltd., Bombay, M/s. Themis Chemicals Ltd., Bombay, are the major manufacturer-exporters of Ethambutol Hydrochloride. The major countries to which Ethambutol Hydrochloride is exported are West Germany, Hongkong, Mexico, The Netherlands, Italy, UK, Denmark and Bangladesh. The exporters do not give quantity-wise exports while submitting export returns to the Export Promotion Council. The total exports during the last three years and the average unit-value realisation are given below:

Year	Value of exports (Rs. in lakhs)
1985-86 . . .	340.0
1986-87 . . .	450.1
1987-88 . . .	753.8
1988-89 (April to Dec.)	483.7

Average unit value-realisation from export of Ethambutol HCL has been US $ 24-27 per kilogram.

(Source: Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council, Bombay.)

The incentives given on exports of Ethambutol HCL are not determined on the basis of quantity but on the basis of FOB value on exports. Cash compensatory support at the rate of 15% and Replenishment Licence at the rate of 15% of FOB value are admissible on export of Ethambutol HCL.

As import of certain intermediates for manufacture of Ethambutol HCL is permissible under Open General Licence (OGL) and it is not obligatory that exporters should operate under Advance Licensing Scheme with its minimum value-addition stipulation, the foreign exchange content of individual exporter is not separately maintained However, no case of loss of foreign exchange on export of Ethambutol HCL has come to the notice of the Government.

Payment of duty drawback

1591. DR. (SHRIMATI) SAROJINI MAHISHI: Will the Minister of FINANCE be pleased to state:

(a) what was the consumption norm of various raw materials for Ethambutol and Pyrazinamide taken into consideration for each party during the last three years, yearwise for paying duty drawback;

(b) what was the drawback on each Kg. of export of these drugs given to each producer during the last three years, yearwise;

(c) whether it is a fact that drawback differed from producer to producer; and

(d) if so, what are the details thereof and what are the reasons for the same?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): (a) and (b) The partywise and productwise details are as follows:-

ETHAMBUTOL HCL (Bulk): Two firms approached the Ministry for fixation of Brand Rate of Drawback for compensation of duties suffered by them on certain duty paid inputs used in the manufacture of Ethambutol HCL (in bulk) exported during 1986, 1987 and 1988. The consumption of duty-paid materials admitted and drawback allowed were as follows:—

Name of the party	Year of export	Dutiable raw materials used	Consmuption of raw materials per Kg. of export product	Drawback allowed per kg. of export product	Remarks
M/s Lupin Laboratories Ltd.	1986	DL 2 Aminobutanol Sulphuric Acid Dichloroethane	2.36 kgs. — 2.71 kgs. — 0.49 kg. —	Rs. 49.45 Rs.	(a) For varying shipments
	1986	DL 2 Aminobutanol Sulphuric Acid Dichloroethane	2.36 kgs. 2 71 kgs — 0.49 kg —	Rs. 48.25	Different rate letters issued
	1987	DL 2 Aminobutanol sulphuric Acid Dichloroethane	2.37 kgs. — 3.54 kgs. — 0.45 kg. —	Rs. 56.00	(b) Other inputs imported under
	1988	DL 2 Aminobutanol	2.00 kgs —	Rs. 53.00	Advance Licence. No. relief claimed for them.
M/s. Arti Petro-Chemicals	1986	DL 2 Aminobutanol	2.343 kgs.	Rs. 58.85	Other inputs imported under Advance Licence. No relief claimed for them.
	1987 & 1988	No request received for brand rate.			

PYRAZINAMIDE. Only one exporter viz, M/s. Armour Chemicals Pvt. Ltd. exported Pyrazinamide under Drawback claim during 1986, 1987 and 1988. Details of consumption of duty paid materials and Drawback allowed are as follows :—

Name of the party	Year of export	Dutiable raw materials used	Comnsumption of raw materials per kg. of export product.	Drawback allowed per kg. of export product	Remarks
(1)	(2)	(3)	(4)	(5)	(6)
M/s. Armour Chemicals	1986	2-Cyano-Pyrazine	1.025 kgs.	Rs. 655.90	More than one Brand Rate letter.

(1)	(2)	(3)	(4)	(5)	(6)
	1987	2-Cyano-Pyrazine	1.025 kgs.	Rs. 668.15	Issued for different shipments in 1987 and 1988.
	1987	2-Cyano-Pyrazine	1.025 kgs	Rs. 582.80	
	1988	2-Cyano-Pyrazine	1.025 kgs.	Rs. 595.09	
	1988	2-Cyano-Pyrazine	1.025 kgs.	Rs. 704. 22	

(c) and (d) Yes Sir. As indicated in answer to (a) & (b) above the drawback rates for Ethambutol Hcl differed from producer to producer. This was mainly because of the difference in un-rebated Customs duties paid on certain inputs used for producing the export product. The difference arose because of following reasons:

(i) variation in duties per unit suffered on particular inputs imported by different producers at varying points of time from different sources.

(ii) *Interse* variation in consumption of basic inputs.

Export of Cephalexin and some other drugs

1592. SHRI NARAYAN KAR:
DR. (SHRIMATI) SAROJINI MAHISHI:

Will the Minister of COMMERCE be pleased to state:

(a) what are the names of the producers who exported Cephalexin, Ampicillin, Rifampicin, Pyrazinamide and Ethambutol during the last three years, yearwise;

(b) what are the names of the countries to which these drugs were exported, the quantity exported to each country by each party and the prices at which exported;

(c) what were the benefits given on each kg. of export of each of these drugs and what were the basis in each case;

(d) whether any advance import licences were issued to these parties against these exports;

(e) if so, what are the details there of in each case;

(f) what was the foreign exchange amount earned in such exports;

(g) whether it is a fact that in certain cases, the country has lost foreign exchange as a result thereof; and

(h) if so, what are the details of foreign exchange losses suffered during the last three years, yearwise?

THE MINISTER OF COMMERCE (SHRI DINESH SINGH): (a) to (h) A statement showing the names of major manufacturer-exporters of Cephalexin, Ampicillin, Rifampicin, Ethambutol and Pyrazinamide is annexed as per Annexure (*See* Appendix CXLIX, Annexure No. 86). Aggregate value of exports for the period 1986-87, 1987-88 and 1988-89 (April to December, 1988), major countries of exports and prevailing average unit value realisation is annexed as per Annexure (*See* Appendix CXLIX, Annexure No. 87). The unit-wise export of each drug to each country and unit-wise value realisation are not separately maintained.